



Internal Revenue Service (IRS) Releases Updated Limits for 2022

Last week the IRS released Revenue Procedure 2021-45 which includes annual inflation adjustments for a variety of tax provisions, including some employer-provided benefits, like Flexible Spending Account (FSA).

"For the taxable years beginning in 2022, the dollar limitation for employee salary reductions for contributions to health flexible spending arrangements increases to \$2,850. For cafeteria plans that permit the carryover of unused amounts, the maximum carryover amount is \$570, an increase of \$20 from taxable years beginning in 2021."

See full document and summary here:

<https://www.irs.gov/newsroom/irs-provides-tax-inflation-adjustments-for-tax-year-2022>

If you offer an FSA please **review the updates and work with your FSA vendor to determine your options**, since some districts have closed their open enrollment window at this point.

This notification has been sent to School Business Officials, Human Resources and Health Plan Members.

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